

VIRGINIA: A SCHEDULED MEETING OF THE SURRY COUNTY BOARD OF SUPERVISORS  
HELD IN THE GENERAL DISTRICT COURTROOM OF THE SURRY COUNTY  
GOVERNMENT CENTER ON THURSDAY, MAY 7, 2015 AT 7:00P.M.

PRESENT: SUPERVISOR JUDY S. LYTTLE, CHAIR  
SUPERVISOR JOHN M. SEWARD, VICE-CHAIR  
SUPERVISOR ERNEST L. BLOUNT  
SUPERVISOR KENNETH R. HOLMES  
SUPERVISOR GIRON R. WOODEN, SR.

ALSO

PRESENT: MR. TYRONE W. FRANKLIN, COUNTY ADMINISTRATOR  
MR. BRENDAN HEFTY, HEFTY & WILEY, COUNTY ATTORNEY  
MS. TERRI HALE, DIRECTOR OF FINANCE  
MS. RHONDA L. RUSSELL, DIRECTOR OF PLANNING & COMMUNITY  
DEVELOPMENT  
MRS. VALERIE PIERCE, DIRECTOR, SURRY SOCIAL SERVICES  
MRS. DEBBIE NEE, COMMISSIONER OF THE REVENUE  
MR. ERVIN JONES, DIRECTOR, PARKS & RECREATION

**CALL TO ORDER/MOMENT OF SILENCE/PLEDGE OF ALLEGIANCE**

The meeting was called to order by Chairperson Judy Lyttle who then asked for a moment of silence. Following the moment of silence, she asked those present to stand and say the pledge of allegiance.

**CONSENT ITEMS**

1. Approval of April 2, 2015 Minutes, Board of Supervisors
2. Approval of May 2015 Accounts Payable:

	Accounts Payable	Additional	Total
General Fund	\$272,697.21	\$187,926.45	\$460,623.66
Debt Service	\$0.00	\$0.00	\$0.00
Capital	\$23,009.43	\$51,459.66	\$74,469.09
Water & Sewer	\$7,374.76	\$53,598.51	\$60,973.27
CSA	\$0.00	\$14,657.00	\$14,657.00
Indoor Plumbing	\$0.00	\$0.00	\$0.00
Juror Payments	\$0.00	\$0.00	\$0.00
<b>Totals</b>	<b>\$303,081.40</b>	<b>\$307,641.62</b>	<b>\$610,723.02</b>

### 3. Appropriation Requests:

<b>School System - May 2015</b>	Instruction	\$1,300,000.00
	Admin./Health	\$56,000.00
	Pupil Transp.	\$86,000.00
	Operation/Maint.	\$116,000.00
	Food Serv.	\$43,000.00
	Debt Service	\$0.00
	Capital Projects	\$0.00
	Technology	\$5,000.00
	<b>Total</b>	<b>\$1,606,000.00</b>
<b>Dept. of Social Serv. - May 2015</b>		<b>\$180,000.00</b>

Supervisor Seward made a motion that the Board approve the Consent Items as enumerated. Supervisor Holmes seconded the motion. Supervisors Blount, Wooden, Holmes, Lyttle and Seward voted affirmatively to approve the motion.

## PROGRESS REPORTS

Mr. Franklin invited members of the Surry Volunteer Fire Department to address the Board and inform regarding the organization's 75<sup>th</sup> Anniversary Celebration next Saturday, May 16, 2015. The celebration activities include a Fireman's Parade held in the Town of Surry at noon on Saturday with over 50 fire trucks involved. Additional activities will be held at the SVFD facility on Bank Street.

### 1. VDOT

#### A. Quarterly Report

Mr. Ken Shannon, Williamsburg Residency Administrator Assistant for VDOT addressed the Board to provide the quarterly report. Mr. Shannon informed that VDOT crews had completed 46 maintenance work orders with 13 work orders outstanding which were concerning drainage issues. Maintenance crews had patched 856 potholes, replaced 2 culverts on Route 612, cleaned ditches and applied surface treatment on Route 647. Mowing of secondary roads is currently ongoing with completion projected for mid-June; and mowing of primary roads will begin the second week of May and should be completed by the end of the month. Route 602 continues to have issues and will be monitored for pending road base and pavement repair work.

Chairperson Lyttle expressed concern regarding the curve at Alliance and Chippokes Farm Road stating that it needed attention. Supervisors reported other concerns regarding Route 615 and Cobham Wharf Road.

B. Request for Public Hearing: Secondary Six-Year Plan

Ms. Rhonda Russell, Director of Planning and Community Development addressed the Board to request that they consider authorizing the advertisement and scheduling of a public hearing to be held in consideration of the Surry County Six Year Secondary Road Improvement Plan. Ms. Russell informed that the Surry County Highway Transportation Safety Commission had identified two projects to receive funding.

Supervisor Seward made a motion that the Board authorize the advertisement and scheduling of a public hearing on Thursday, June 4, 2015 at 7:00pm in the General District Courtroom to be held in consideration of the Surry County Six Year Secondary Road Improvement Plan. Supervisor Holmes seconded the motion which was unanimously approved.

2. Treasurer

A. Investment Letter

Chairman Lyttle read the Investment Letter provided by Mary H. Shaw, Treasurer, which stated that as of the April 2015 meeting the County had \$22,863,187.40 in the LGIP Fund. Since that report, accrued interest for March 2015 in the amount of \$2,387.90 had increased that balance to \$22,865,575.30. Since the April 2015 report, \$1,000,000.00 was transferred from LGIP to the General Fund leaving a balance in the LGIP of \$21,865,575.30. As of May 7, 2015 the County had \$22,373,509.88 in total investments, including one CD valued at \$507,934.58 which matures on January 18, 2016.

3. County Administration

A. Presentation: Project Updates with Contract Awards

Mr. Brian Camden, Project Manager, addressed the Board to report that the County had received two contractor bids for the renovation – addition for the new Surry County Visitors Center. He recommended that the Board award the construction contract to Everest Construction Management Group, Inc. in the amount of \$379,000.

Supervisor Holmes made a motion that the Board authorize a contract between the County and Everest Construction Management Group, Inc. in the amount of \$379,000. Supervisor Seward seconded the motion which was unanimously approved.

Mr. Camden additionally reported that the County had received three contractor bids for the renovations-additions to the restaurant at Gray's Creek Marina. Next Friday, May 15, 2015, Surry County will be receiving operator proposals to lease the restaurant. Mr. Camden recommended that the Board authorize a contract between the County and Everest Construction Management Group, Inc. not to exceed \$685,000 for construction services to perform renovation/additions to the restaurant facility located at Gray's Creek Marina.

Supervisor Seward made a motion that the Board authorize a contract between the County and Everest Construction Management Group, Inc. not to exceed \$685,000 for construction services to perform renovation/additions to the restaurant facility located at Gray's Creek Marina. The motion was seconded by Supervisor Blount; all present voted affirmatively.

Mr. Camden further informed that the new sewage disposal system for the Gray's Creek Marina is currently being bid and staff will conduct a pre-bid conference at the site on Monday, May 11, 2015. Bids are scheduled to be received on Thursday May 21, 2015. The site design for the Surry County Volunteer Rescue Squad Building is complete. We are conducting a final review and expect to advertise this project for construction bids in about two weeks.

#### B. Award of Contract: Appraisal Software

Ms. Terri Hale, Director of Finance and Information Technology, and Mrs. Debbie Nee, Commissioner of the Revenue, addressed the Board to recommend approval of a contract to purchase Real Estate Appraisal software. Ms. Hale informed that an RFP had been published in March 2015 and that the county had received one submission from Concise Systems of Roanoke, Virginia. She recommended that the Board award a contract in the amount of \$108,521 to Concise Systems, Inc. to include purchase of the software, data conversion, GIS data integration, licensing, installation and training.

Supervisor Blount made a motion that the Board approve a contract with Concise Systems, Inc. in the amount of \$108,521 as presented. Supervisor Holmes seconded the motion; all present voted affirmatively.

#### C. Request for Public Hearing: Amendment to Utilities Ordinance

Ms. Hale addressed the Board to request that they consider the authorization of advertisement and scheduling of a public hearing regarding an amendment to the Utilities Ordinance. She informed

that the FY 15-16 proposed budget includes rate increases for both water and sewer rates and must be amended to reflect these changes. Ms. Hale recommended a public hearing be scheduled to take place on Thursday, June 4, 2015 at 7:00pm in the General District Courtroom of the Surry County Government Center.

Supervisor Seward made a motion that the Board authorize a public hearing to be held on Thursday, June 4, 2015 at 7:00pm in the General District Courtroom as requested. The motion was seconded by Supervisor Holmes and passed with unanimous approval.

D. Request for Categorical Transfers: Surry County Public Schools

Ms. Rebecca Hicks, Director of Finance for Surry County Public Schools addressed the Board to request an FY 15 budgetary amendment in the amount of \$255,000 which would reduce the Instruction category by \$255,000 while increasing the Administration & Health category and the Operation & Maintenance category by \$5,000 and \$250,000 respectively. Ms. Hicks provided additional information to Board member's questions.

Supervisor Blount made a motion that the Board authorize the categorical transfers and presented; Supervisor Holmes seconded the motion. The motion passed with unanimous approval.

E. Notification of Grant Award

Ms. Rhonda Russell, Director of Planning and Community Development, presented information relevant to a Notification of Grant Award from the Virginia Department of Environmental Quality in the amount of \$12,000.00. The purpose of the grant award is to support the collection of historical developed/urban Best Management Practice (BMP) data, from 1985 to present, for facilities installed to aid in controlling runoff pollution and the submittal of existing land use/land cover data from local governments and/or Planning District Commissions within the Chesapeake Bay Watershed.

F. Resolution 2015-06: Senior Recognition

Mr. Franklin presented Resolution 2015-06 Resolution 2015-06 recognizing Mr. William Arthur Logan, Sr. of Surry County who has reached the age of 90 years.

Supervisor Holmes made a motion that the Board approve Resolution 2015-06 as presented. The motion was seconded by Supervisor Seward and approved by all members present.

G. Resolution 2015-07: Deeds

Mr. Brendan Hefty, County Attorney, presented Resolution 2015-07, allowing for the execution of deeds and purchase of property (not to exceed a purchase price of \$50,000) by the County Administrator.

Supervisor Blount made a motion that the Board approve Resolution 2015-07 as presented. Supervisor Seward seconded the motion; Supervisors Lyttle, Holmes, Wooden, Blount and Seward voted affirmatively.

**UNFINISHED BUSINESS**

1. Appointment: Surry County Planning Commission

Chairperson Lyttle made a motion that the Board reappoint Mr. Eddie Brock (Bacon's Castle District) to the Surry County Planning Commission for a term beginning September 25, 2014 and ending September 30, 2018. Supervisor Seward seconded the motion which passed with unanimous support.

2. Appointments: Surry County Economic Development Authority

No action was taken.

**PUBLIC HEARING**

1. Recommended FY 2015-2016 Proposed Consolidated Budget

Chairperson Lyttle called the public hearing to order. Mr. Franklin stated that the public hearing was being conducted to receive public comments regarding the proposed FY 15-16 Consolidated Budget for Surry County. The budget has been presented on the basis of the estimates and requests submitted to the County Administrator by the several offices and department heads of the County. There is no allocation or designation of any funds of this County for any purpose until there has been an appropriation for that purpose by the Board of Supervisors. This public hearing is held pursuant to §15.2-2506 of the *Code of Virginia, 1950, as amended*, and is for the purpose of allowing the public to comment on the proposed budget.

Ms. Terri Hale, Director of Finance and Information Technology, addressed the Board to the FY 16 Preliminary Recommended Budget. Ms. Hale reported that this was a balanced budget of \$50,564,983 with no increase in taxes. The proposed budget does contain increases in utility rates, salary increases of 2% for general government employees, increased health insurance premiums, a Public Service Corporation Tax of \$12,758,693 and increased real estate revenues of \$23,400.

Ms. Hale went on to report that the proposed FY 16 Personal Property Tax Relief rate would remain at 45%, the School Board and Social Services

Department would receive level funding and that funding to outside agencies had decreased by 5.3%. ***(A copy of Ms. Hale's presentation is included as an integral component of these minutes.)*** Ms. Hale further reviewed proposed local revenues, intergovernmental revenues, expenditures, and fund balance.

Following the presentation, Chairperson Lyttle opened the floor for public comments.

Mr. Mike Eggleston (Dendron District) addressed the Board to express concern regarding proposed funding in the CIP for a study to determine the need for a new recreation center.

Mrs. Helen Eggleston (Dendron District) appeared before the Board to discuss her concern regarding proposed funding in the CIP for a study to determine the need for a new recreation center.

There being no further statements from the public, Chairperson Lyttle closed the floor to public comments.

Mr. Franklin and Ms. Hale recommended that the Board consider continuing their meeting to Thursday, May 14, 2015 at 7:00pm in the General District Courtroom of the Surry County Government Center for the purpose of taking action on the Proposed FY 15-16 Consolidated Budget and CIP.

## **NEW BUSINESS**

None.

## **CITIZEN COMMENTS**

Mr. Mike Eggleston (Dendron District) addressed the Board to express concern that the broadband project had not been completed.

## **CLOSED SESSION**

Supervisor Blount made a motion that the Board convene in closed session to discuss a personnel matter (Virginia Code §2.2-3711(A)(1). Supervisor Seward seconded the motion; the motion was unanimously approved.

Supervisor Seward made a motion to return to open session and certify by roll call that the closed session was concluded and that nothing had been discussed except the matter or matters permitted to be discussed under the provisions of the Virginia Freedom of Information Act. Supervisor Blount seconded the motion; Supervisors Lyttle, Seward, Blount, Holmes and Wooden voted affirmatively.

**ADJOURNMENT**

There being no further business before the Board, Supervisor Seward made a motion to continue the meeting to Thursday, May 14, 2015 at 7:00pm in the General District Courtroom of the Surry County Government Center for the purpose of taking action on the Proposed FY 15-16 Consolidated Budget and CIP. Supervisor Holmes seconded the motion; the motion passed with unanimous approval.



# Surry County, Virginia

**FY16 Proposed Budget  
Public Hearing May 7, 2015**

# FY16 Proposed Budget, All Funds

<b>Total Proposed Budget</b>			<b>\$</b>	<b>50,689,127</b>
<b>General Fund</b>	<b>\$</b>	<b>23,983,350</b>		
<b>Debt Service Fund</b>		<b>1,912,080</b>		
<b>VA Public Assistance Funds (3)</b>		<b>2,089,876</b>		
<b>Comprehensive Services Fund</b>		<b>175,000</b>		
<b>School Fund (incl. cafeteria)</b>		<b>15,807,421</b>		
<b>DEA/Task Force Fund</b>		<b>25,000</b>		
<b>Indoor Plumbing Fund</b>		<b>11,720</b>		
<b>Economic Development Fund</b>		<b>80,000</b>		
<b>Capital Fund</b>		<b>6,147,954</b>		
<b>Utilities Fund</b>	<b>\$</b>	<b>456,726</b>		

# General Fund Highlights

- **Balanced budget with no increase in taxes**
- **Public service corporation taxes reduced by \$400,000 based on Department of Taxation estimate**
- **General Fund increase of \$752,038, or 3.2%; includes contingency of 120,000**
- **Proposed increase in water & sewer rates to \$30 & \$39, respectively; minimum gallons reduced to 3,000**
- **Fire & rescue departments are level-funded at \$231,000**
- **Salary increase of 2% for general government employees at a cost of \$108,500**
- **5.2% increase in health insurance premiums; additional employer increase approximately \$25,200**
- **Two new utilities positions: manager (\$50,000) & technician (\$35,000)**
- **Two sheriff's vehicles are included at a cost of \$58,500**
- **Other outside agencies decreased by \$59,460, or 5.3%**

# General Fund Revenues

		FY16 Proposed		FY15 Adopted
Local	\$	22,097,894	\$	21,618,578
State		1,747,518		1,747,518
Federal		95,351		90,392
Total	\$	23,983,350	\$	23,456,488

# School, VPA Funds Highlights

- **Proposed school fund budget (including cafeteria fund) = \$15,807,421, which is \$81,752, or 0.5% less than the current year**
- **Local share level-funded at \$12,000,000 (request was \$12,698,766, an increase of \$698,766, or 5.8%)**
- **Reduction in state revenue of approximately \$112,684**
- **Proposed social services budget = \$2,019,716, which is \$130,647, or 6.9% more than current year**
- **Local share level-funded at \$748,906**
- **Cost Allocation Plan federal revenue included at \$39,983**

# Affect on Fund Balance

- **FY14 total fund balance was \$16,369,129**
- **FY16 proposed budget includes funding the local portion of the CIP (\$1,170,935) with reserves**
- **Auditors recommend a fund balance equal to 20% of the total budget. For the FY16 proposed budget this would be \$9,918,821. BUT – given the potential volatility of public service corporation taxes, the county's financial advisor recommends at least \$1,000,000 in addition to this amount.**
- **Current fund balance policy permits spending up to 25% of governmental fund expenditures (less capital expenditures funded by bond proceeds). In the FY14 CAFR this amount was \$6,054,838, approximately 37% of the current fund balance.**

# Capital Improvements Plan (CIP)

Project	Amount		Local \$\$	Grant \$\$	LT Debt	Total	
Water Upgrades	\$	500,000			\$	500,000	\$ 500,000
Rescue Squad Building		1,605,000				1,605,000	1,605,000
Marina Project		1,900,000		1,400,000		500,000	1,900,000
Surry Sewer Expansion		750,000	50,000	\$ 700,000			750,000
SCHS HVAC Infrastructure		450,000	450,000				450,000
Sanitation Equipment		40,000	40,000				40,000
Real Estate Software		125,000	125,000				125,000
Government Center Lighting		150,000	150,000				150,000
New Community Center		100,000	100,000				100,000
E911 (3)		502,954	230,935	272,019			502,954
Technology Improvements		25,000	25,000				25,000
Grand Total, Project Expenditures	\$	6,147,954	\$ 1,170,935	\$ 2,372,019	\$ 2,605,000		\$ 6,147,954